

Effective Annual Interest Rate on Short-Term Loans Self-Quiz Problem

Your daycare center can borrow \$50,000 for one year and pay \$3,625 in interest.
Calculate the interest rate you will pay.

Effective Annual Interest Rate on Trade Credit Self-Quiz Problem

Assume that a hospital makes a \$150 purchase on the first day of the month and must pay a \$5 late fee if it doesn't pay within the first 15 days. What is the annual interest rate if the hospital pays on day 16? On day 30?

Future Value Self-Quiz Problem

Your hospital wants to invest \$1 million at 5 percent compounded quarterly. How much will the investment be worth after ten years?